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Duncan Calls for Price Gouging Inquiry Necessary Measures to be Included in Legislative Priorities

With gas prices in the Baltimore-Washington, D.C. region among the highest in the nation, Montgomery County Executive Douglas M. Duncan today announced his support for State legislation that would protect consumers from price-gouging. The Executive, who was joined by Council President Tom Perez and State legislators, vowed to work with General Assembly leaders and the Attorney General to examine the issue and craft the appropriate legislation. And, he will make one of his top legislative priorities in Annapolis.

"We have seen a dramatic spike in the price of a gallon of gas, and working families have taken a real hit," Duncan said. "Maryland consumers deserve to be protected at the pump from predatory practices, and I want to make sure our Attorney General has the tools to do just that."

Senate President Mike Miller announced last week that he wants a comprehensive examination of "all aspects of wholesale and retail fuel pricing," as well as consumer protections against price gouging. Maryland Attorney General Joseph Curran is also looking at the matter and has joined with Attorney Generals from across the nation to address fuel pricing and consumer protections.

During the 2005 legislative session, Curran supported a measure – co-sponsored by several Montgomery County legislators – that would have prohibited price gouging during a state of emergency. House Bill 556 and companion Senate Bill 353, Public Safety – Emergency Management – Essential Goods and Services, were both defeated.

"Taking advantage of others during a public crisis like Hurricane Katrina is the lowest form of human activity," said Tom Perez. "Maryland's leaders will work together to ensure that this will not take place in our state."

In the latest AAA survey, the national average price for gasoline crossed the \$3-a-gallon mark for the first time, passing even the inflation-adjusted record set in 1981. Gasoline prices nationally have surged after Hurricane Katrina, with the Washington-Metropolitan region among the highest in the nation. Thirty-five states and the District of Columbia had prices averaging \$3 or more for regular, according to AAA. Maryland ranked the third highest in the nation with an average of \$3.26 per gallon.

"The time for this legislation is now. A group of Exxon dealers here in Montgomery County has contacted AAA Mid-Atlantic in recent days accusing the oil giant of raising their wholesale prices to take advantage of consumers in the County," said Lon Anderson, Director of Public and Government Affairs. "We need this legislation, to protect local residents whom the oil company assumes is 'easy pickings' because of their incomes. None of us can afford to pay more for gas."

Maryland law currently does not provide protections for consumers who are victims of price gouging following a national emergency, such as Hurricane Katrina. Consumers can file a "gas price gouging complaint" on the U.S. Department of Energy's website, and the complaint will be forwarded to the Federal Trade Commission.

"Price gouging is a despicable form of deceptive marketing in which unscrupulous merchants attempt to extract unconscionable payments from consumers," Friedman said. "We need to ensure that our consumer protection laws enable all consumers to purchase vital goods and services during an emergency."